

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF M. E. CALLENDER)	APPEAL NO. 06-A-2357
from the decision of the Board of Equalization of Ada)	FINAL DECISION
County for tax year 2006.)	AND ORDER

RESIDENTIAL PROPERTY TAX APPEAL

THIS MATTER came on for hearing October 24, 2006, in Boise, Idaho, before Hearing Officer Sandra Tatom. Board Members Lyle R. Cobbs and David E. Kinghorn participated in this decision. Appellant M. E. Callender appeared. Chief Deputy Tim Tallman and Appraiser Lynde Fischer appeared for Respondent Ada County. This appeal is taken from a decision of the Ada County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. R8048690160.

The issue on appeal is the market value of a residential property.

The decision of the Ada County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$83,000, and the improvements' valuation is \$296,900, totaling \$379,900. Appellant requests the land value be reduced to \$72,000, and the improvements' value be reduced to \$283,800, totaling \$355,800.

The subject property is a .478 acre improved residential lot located in Boulder Creek Subdivision in Boise, Idaho.

To support subject's proposed land value reduction, Appellant provided 31 assessments of subdivision lots in the area for the 2006 tax year. Five (5) of the assessments were for lots in Boulder Creek Subdivision. These lots ranged from .402 acres to .463 acres with assessments between \$70,000 and \$72,000. The 2005 lot assessments were between \$77,000 and \$79,200. Appellant inquired as to why the properties showed a decreased value of approximately 9.9%, whereas subject showed an increase of nearly 33% for 2006.

Regarding the assessment of subject's improvements, Appellant explained that houses are assigned to a construction class and are further given a subclass rating of either "high", "medium", or "low". Taxpayer claimed there is typically a value difference of approximately 6% between the subclass ratings. Subject was given a construction class of 5-medium. Appellant provided detailed information on five (5) houses in the area that were all in construction class 4. It was noted the residences shared similar architectural characteristics to subject, such as; number of windows, bathrooms, skylights, and roof changes. Appellant focused on one particular house and stated that while it shared many characteristics with subject, it was better because it was custom built and had several additional features. Taxpayer questioned how subject could be rated two subclasses higher than such an obviously "superior" house.

Appellant then challenged the appropriateness of two (2) of Respondent's sales. Taxpayer observed one of the sales was located over 1.5 miles from subject in a subdivision that was much nicer than Boulder Creek Subdivision. Respondent's White Field Subdivision sale was also questioned because when disputing subject's 2004 assessment, Appellant noted a sale from that subdivision and the county claimed the properties were not comparable to subject.

Respondent submitted three (3) sales to support subject's assessment. Respondent concluded the sales indicated a price range of \$92.93 to \$131.21 per square foot. Subject was assessed for \$79.89 per square foot.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

In determining property value for the purpose of taxation, Idaho uses the market value approach as defined in Idaho Code § 63-201(10):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Sales of like properties in a particular area are typically the best evidence of market value. Respondent provided three area sales, with prices of \$92.93 to \$131.21 per square foot.

To challenge subject’s land assessment, Appellant provided a large number of land assessments for lots located in several nearby subdivisions and several for lots in subject’s subdivision.

A map of 2006 land value assessments was also provided for subject’s immediate area showing lot sizes and assessed values, both of which were similar to subject.

Appellant also requested subject’s construction class be reduced based on the assessments of several residences with some common features, but also with additional features that Appellant argued to be better than subject.

Similar external features provide some basis for determining grade, but internal features must also be considered. Such information was not offered.

The Board finds that Respondent’s sales are more indicative of subject’s value than property assessments from the general area. Therefore, the decision of the Board of Equalization of Ada County is affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the

Ada County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

DATED this 6th day of April , 2007.